

# GAO Highlights

Highlights of [GAO-24-106152](#), a report to congressional committees

## Why GAO Did This Study

The federal government provided over \$4.6 trillion to help the nation respond to the COVID-19 pandemic. A substantial portion of that amount went to state governments, which had to manage the influx of federal relief and quickly determine priorities to respond to the public health and economic emergency.

The CARES Act includes a provision for GAO to conduct monitoring and oversight of the use of funds made available to prepare for, respond to, and recover from the COVID-19 pandemic. This report describes (1) how selected states planned for, used, and reported on COVID-19 relief funds; (2) challenges selected states experienced in using COVID-19 relief funds and any actions taken to address those challenges; and (3) how the experiences of the selected states could inform future federal relief funding.

This report is part of a series of reports on COVID-19 relief funds to the states. GAO reviewed previously issued reports on individual COVID-19 relief programs. GAO also interviewed federal agency officials who implemented COVID-19 relief programs that received \$10 billion or more for Tribes, states, localities, and U.S. territories.

GAO reviewed plans for the use of the COVID-19 relief funds for eight states—California, Florida, Illinois, Minnesota, New York, Pennsylvania, Texas, and Washington—and interviewed staff from state budget offices and auditor offices. GAO selected these states based on total COVID-19 relief funding, population size, and geographic region.

View [GAO-24-106152](#). For more information, contact Jeff Arkin at (202) 512-6806 or [arkinj@gao.gov](mailto:arkinj@gao.gov).

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## COVID-19 RELIEF FUNDS

### State Experiences Could Inform Future Federal Relief Funding

#### What GAO Found

Budget office staff in eight states told GAO they worked with state legislatures, agencies, and other stakeholders to plan the use of COVID-19 relief funds. While budget staff said state legislatures typically were responsible for appropriating the funds, some legislatures allowed state officials to make or change plans when the legislatures were not in session. Budget staff in selected states said they were generally responsible for implementing newly created programs, while state agencies implemented pre-existing programs. Staff also said they used existing structures and processes to implement the funds, such as those for natural disasters or reimbursement. According to state auditors, selected states used existing processes to mitigate fraud and improper payments.

State budget staff told GAO they used a variety of actions to address challenges when planning, using, and reporting on the COVID-19 relief funds.

- **Staff capacity challenges.** Budget staff hired and reassigned staff, worked with officials in state agencies, and used contractors to address capacity challenges with using COVID-19 relief funds.
- **Timing of funding and guidance.** Budget staff said that when additional COVID-19 relief funding was provided or guidance on allowable uses was delayed or changed, they waited to use these funds or substituted other funds with overlapping allowable uses.
- **Communication and technical assistance challenges.** Budget staff said that federal agency officials addressed questions on program guidance and the need for technical assistance by increasing information sharing and working with national organizations representing states.
- **Compliance with reporting requirements.** Budget staff leveraged existing reporting systems or developed new systems to allow them to meet reporting deadlines, address changes to reporting requirements, or provide data they had not previously collected.

GAO identified several experiences from the selected states that could inform future federal relief.

- **Leveraging pre-existing programs.** Budget staff in some states said they were often able to use funding for existing programs more efficiently by using existing structures and processes. However, staff also noted that new, more flexible programs were key to addressing the pandemic's unique challenges.
- **Leveraging existing expertise and processes.** States leveraged staff expertise and processes from implementing previous significant federal funding, such as from the American Recovery and Reinvestment Act of 2009, to plan and use the COVID-19 relief funds. Additionally, some states said their staff experience and capacity with the funds grew over time.
- **Establishing new units and processes for federal relief funds.** Budget staff said they established specific units and processes for COVID-19 relief funds. They plan to leverage these units and processes for future federal relief funds.